

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4221

To amend the National School Lunch Act to provide increased flexibility relating to the use of information submitted to determine eligibility under programs under that Act and the Child Nutrition Act of 1966, to provide for the establishment of commodity letter of credit (CLOC) demonstration programs in certain States, and to establish a program to assist schools in offering greater quantities of fresh fruits and vegetables under the school lunch program.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 1994

Mr. GOODLING (for himself and Mr. FORD of Michigan) introduced the following bill; which was referred jointly to the Committees on Education and Labor and Agriculture

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## A BILL

To amend the National School Lunch Act to provide increased flexibility relating to the use of information submitted to determine eligibility under programs under that Act and the Child Nutrition Act of 1966, to provide for the establishment of commodity letter of credit (CLOC) demonstration programs in certain States, and to establish a program to assist schools in offering greater quantities of fresh fruits and vegetables under the school lunch program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. INCREASED FLEXIBILITY RELATING TO USE OF**  
2 **INFORMATION SUBMITTED TO DETERMINE**  
3 **ELIGIBILITY UNDER PROGRAMS UNDER THE**  
4 **NATIONAL SCHOOL LUNCH ACT AND THE**  
5 **CHILD NUTRITION ACT OF 1966.**

6 Section 9(b)(5) of the National School Lunch Act (42  
7 U.S.C. 1758(b)(5)) is amended by adding at the end the  
8 following new sentences: “Except as provided in the next  
9 sentence, a local agency responsible for administering pro-  
10 grams under this Act or the Child Nutrition Act of 1966  
11 (42 U.S.C. 1771 et seq.) shall use information submitted  
12 for the purpose of receiving benefits under such programs  
13 only for the purpose of determining eligibility for such  
14 benefits. Such local agency may use such eligibility deter-  
15 mination to demonstrate the eligibility for benefits under  
16 other Federal, State, or local means-tested nutrition pro-  
17 grams with comparable eligibility standards.”.

18 **SEC. 2. CLOC PROGRAMS UNDER THE NATIONAL SCHOOL**  
19 **LUNCH ACT.**

20 Section 18(b) of the National School Lunch Act (42  
21 U.S.C. 1769(b)) is amended—

22 (1) in paragraph (1)—

23 (A) in the 1st sentence, by striking “, and  
24 ending September 30, 1994”; and

1 (B) in the 2nd sentence, by striking  
2 “under this subsection” and inserting “under  
3 this paragraph”; and

4 (2) by adding at the end the following new  
5 paragraphs:

6 “(3)(A) The Secretary shall, upon the request of a  
7 school district located in a State in which no commodity  
8 letter of credit (hereafter in this paragraph referred to as  
9 ‘CLOC’) programs exist, establish and carry out a CLOC  
10 demonstration program for such school district under  
11 which the Secretary provides commodity letters of credit  
12 in lieu of all entitlement commodities for the school lunch  
13 program of such school district.

14 “(B) The Secretary may establish and carry out not  
15 more than 1 CLOC demonstration program for any State.

16 “(C) A CLOC demonstration program established  
17 and carried out under this paragraph shall begin on the  
18 first July 1st which occurs after the date of the enactment  
19 of this paragraph.

20 “(D) The Secretary shall establish eligibility require-  
21 ments for school districts that desire to participate in a  
22 CLOC demonstration program under this paragraph.

23 “(4)(A) The Secretary shall establish and carry out  
24 a statewide commodity letter of credit (hereafter in this  
25 paragraph referred to as ‘CLOC’) demonstration program

1 in 1 State under which the Secretary provides all school  
2 districts in such State commodity letters of credit in lieu  
3 of all entitlement commodities for the school lunch pro-  
4 grams of such school districts.

5 “(B) The Secretary may establish and carry out the  
6 statewide CLOC demonstration program under this para-  
7 graph only in a State in which, on the date of the applica-  
8 tion by such State to the Secretary to establish such pro-  
9 gram, 80 percent or more of the school districts participat-  
10 ing in the school lunch program under this Act have elect-  
11 ed to participate in the statewide CLOC demonstration  
12 program.

13 “(C) In carrying out the statewide CLOC demonstra-  
14 tion program, the Secretary shall provide that—

15 “(i) all commodity letters of credit be issued to  
16 all school districts in the State in lieu of entitlement  
17 commodities for the school lunch program beginning  
18 on the first July 1st which occurs after the date of  
19 the enactment of this paragraph;

20 “(ii) child care agencies and nutrition programs  
21 for the elderly in the State shall be allowed to par-  
22 ticipate in the program; and

23 “(iii) the State agencies responsible for com-  
24 modity distribution to child and elderly nutrition  
25 programs shall administer the program.”.

1 **SEC. 3. PROGRAM TO INCREASE OFFERINGS OF FRESH**  
2 **FRUITS AND VEGETABLES UNDER THE NA-**  
3 **TIONAL SCHOOL LUNCH ACT.**

4 Section 18 of the National School Lunch Act (42  
5 U.S.C. 1769) is amended by adding at the end the follow-  
6 ing new subsection:

7 “(e)(1) The Secretary shall establish a program be-  
8 ginning on the first July 1st which occurs after the date  
9 of the enactment of this subsection to assist schools in  
10 offering greater quantities of fresh fruits and vegetables  
11 to students in order to improve the overall nutritional  
12 quality of meals served under the school lunch program  
13 established under this Act.

14 “(2) The Secretary shall establish procedures under  
15 which all schools currently participating in the school  
16 lunch program established under this Act may apply to  
17 participate in the program.

18 “(3)(A) Subject to subparagraph (B), the Secretary  
19 shall, for each fiscal year in which a school participates  
20 in the program, provide commodity letters of credit to  
21 such school in an amount equal to 10 percent of the total  
22 commodity entitlement of such school under section 6 for  
23 each such fiscal year to be used for the purchase of fresh  
24 fruits and vegetables under the program.

25 “(B) The Secretary shall, for each fiscal year de-  
26 scribed in subparagraph (A), reduce the amount of the

1 total commodity entitlement of such school under section  
2 6 by the amount described in such subparagraph.

3 “(4) Not later than 2 years after the date of the es-  
4 tablishment of the program, the Secretary shall report to  
5 the appropriate committees of the Congress on the impact  
6 of the program on participating schools, including—

7 “(A) the extent to which children at such  
8 schools increased consumption of fresh fruits and  
9 vegetables; and

10 “(B) the effectiveness of the program in remov-  
11 ing desired commodities from the market place and  
12 the timeliness of such removal.”.

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